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**CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
18 March 1963**

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: The Situation in South Korea

1. Junta leader Pak Chong-hui has decided to retain power and to seek approval for the continuation of military rule through a popular referendum. Pak's decision, announced on 16 March, has the support of the chiefs of the armed services who have assured US Commander, General Meloy that their forces can be relied on to maintain stability. The decision favors the power apparatus organized by former security chief Kim Chong-pil. Pak's action is unlikely to end the chronic power struggles in South Korea.

2. Pak's plan for a referendum follows several moves designed to perpetuate his power and that of Kim Chong-pil. Initially this was to be accomplished through a pre-government party organized by Kim that would control the successor civilian administration. Opponents of Kim in the junta, sensing that Kim planned to freeze them out, precipitated a crisis in late January in an effort to eliminate him and take over the party. Although Kim emerged with his position intact, his enemies carried on the fight by threatening to expose his involvement in major corruption while he was security chief.

3. Continued factional turmoil in the regime, the failure to gain the support of leading politicians, and the danger of the exposure of corruption in an election campaign, apparently led Pak to believe he might lose in an election for the top post in a civilian government. In February Pak, reportedly on the advice of his military chiefs, announced that he was going to withdraw from politics and would not be a candidate for president. Kim Chong-pil, at the same time, began a round-the-world trip as a "roving ambassador." On the surface these moves appeared to open the way for a relatively stable transition to representative government, although public disturbances remained a strong possibility.

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4. The civilian politicians, who had only recently been allowed to re-engage in political activity, failed to organize an effective opposition party. Even Ho Chong, who took over when Rhee fell in 1960 and who enjoys considerable prestige for his honesty and ability, had only limited success in organizing a new party.

5. Pak used a coup plot, exposed on 8 March, to justify the arrests of prominent general officers and lesser military figures opposed to him. Allegations of additional plotting were publicized and contrived demonstrations staged to justify Pak's extension of military rule.

6. In a campaign before the referendum, the regime can muzzle any opposition by using existing legal authority. Pak has stated that political activity by parties or any united front opposition will be barred. People will only be allowed to speak as individuals against military rule. Kim Chong-pil's apparatus can assure a favorable vote for the continuation of military rule.

7. These moves probably will further reduce the narrow public support for the government. Extensive purges in the military, which might be necessary, could upset the factional balance and create disunity. Military faction leaders could be expected to organize support for themselves within the armed forces, and probably would seek civilian allies as well to gain ascendancy.

8. Pak has indicated that Kim will return after the referendum. Kim is married to Pak's niece, and Kim and Pak worked closely in carrying out the May 1961 coup of which Kim was reported to be the chief planner. Kim is intelligent, and has drive and organizational ability. He can be charming when with Americans but is arrogant and strongly nationalistic.

9. Kim can provide to a government in South Korea the imagination and drive that earlier regimes lacked. His thirst for power and ruthlessness have, however, undermined public support for the Pak regime and have generated the opposition of powerful military elements. There is enough indication of Kim's involvement in large-scale graft to enable his opponents to prosecute him if they, should at some point, gain the upper hand.

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